

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BOARD OF PATENT APPEALS AND INTERFERENCES**

In re patent application of:

Felton et al.

Atty. Docket No.: YOR920010696US1

Serial No.: 09/982,225

Group Art Unit: 3628

Filed: October 18, 2001

Examiner: Liversedge, Jennifer, L.

For: **IMPORT DECLARATION/FOREIGN SUPPLIER INVOICE PAYMENT
RECONCILIATION PROCESS**

Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

APPELLANTS' REPLY BRIEF

Sirs:

This Reply Brief is in response to the Examiner's Answer mailed April 10, 2008, setting a two-month statutory period for response. Therefore, this Reply Brief is timely filed.

Claims 1, 3-14, and 16-20 are all the claims pending in the application and are under appeal. Claims 1, 3-14, and 16-20 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Walker, et al (U.S. Publication No. 2002/0095355), hereinafter referred to as Walker, in view of Official Notice.

First of all, Appellants submit that Walker is not valid Prior Art because it has a filing date after the filing date of the present application and is not prior art under 35 U.S.C. §103(a). Moreover, the provisional patent application on which Walker was based does not include the disclosure relied upon in the Examiner's rejections.

Appellants submit that the portions of Walker relied upon in the Examiner's Answer do not constitute prior art under 35 U.S.C. §103(a). More specifically, the Examiner's Answer relies upon paragraph 0014 of Walker to reject Appellants' claims (Examiner's Answer, pp. 3-4). However, paragraph 0014 of Walker was not disclosed in the provisional patent application of Walker (No. 60/262,484), which was filed on

January 18, 2001, nor were any similar statements or concepts.

More specifically, nothing within the provisional patent application of Walker mentions finalizing the payment on the part of the buyer and collection on the part of the seller (Walker, para. 0014). Instead, the provisional patent application of Walker merely discloses databases of trade knowledge, online tools, and international service providers for guiding buyers and sellers through an international transaction. The provisional patent application of Walker fails to disclose finalizing the international transaction, including payment on the part of the buyer and collection on the part of the seller.

Further, the arguments in the Examiner's Answer tend to confirm that the provisional patent application of Walker does not contain the necessary disclosure. Rather than pointing out where the provisional patent application of Walker contains the corresponding disclosure, the Examiner's Answer merely argues that "the use of paragraph 0014 from the Walker disclosure is proper because the paragraph is within the Description of Prior Art section of the disclosure" (Examiner's Answer, p. 6, para. 3). Thus, the Examiner's Answer reasons that "Walker is not disclosing a new form of payment ... but is stating [the] prior art" (Examiner's Answer, p. 6, para. 3).

Appellants submit that regardless of what Walker is stating in paragraph 0014, whatever paragraph 0014 states was disclosed after Appellants' filing date because nothing similar to paragraph 14 appears in Walker's provisional. In other words, no matter what is stated in paragraph 0014 of Walker, paragraph 0014 does not constitute prior art under 103 because it was filed after Appellants' filing date, and does not appear in the provisional.

A reference having a date of January 17, 2002 is not a prior art reference for an application filed on October 18, 2001. The only thing that Walker shows is what was known before January 17, 2002, which could mean January 16, 2002 (well after the filing date of the present application). Therefore, the portion of Walker relied upon in the Examiner's Answer is not prior art.

The Examiner's Answer rejects the present application under 35 U.S.C. §103(a), which provides that:

A patent may not be obtained ... if the differences between the subject matter sought to be patented and *the prior art* are such that the subject

matter as a whole would have been obvious *at the time the invention was made* to a person having ordinary skill in the art to which said subject matter pertains

(emphasis added). Appellants submit that because Walker was filed on January 17, 2002, Walker's disclosure was made after the filing date of the present patent application (October 18, 2001). As such, Walker's disclosure was not made "at the time the invention was made" and does not constitute prior art under 35 U.S.C. §103(a).

Although the Examiner's Answer argues that "Walker is not disclosing a new form of payment ... but is stating [the] prior art" (Examiner's Answer, p. 6, para. 3), Walker is stating the prior art before the filing date of the Walker patent application (January 17, 2002). Walker is not stating the prior art before the filing date of Appellants patent application (October 18, 2001). In other words, the state of the prior art that the Examiner's Answer argues is disclosed in Walker includes the time period of October 19, 2001 - January 17, 2002. This time period is not "at the time the invention was made" respective to Appellants' application as required under 35 U.S.C. §103(a). Nothing within Walker mentions that the state of the prior art discussed in the Background Section of Walker is at or before Appellants' filing date of October 18, 2001. In view of the foregoing, Applicants' submit that Walker is not prior art under 35 U.S.C. §103(a).

In regards to the merits of Walker, Appellants traverse the rejections because Walker fails to disclose the claimed features wherein "said inputting of said first value comprising inputting a value claimed on an import declaration ... said inputting of said second value comprising inputting a value claimed on a payment invoice ... alerting a user if said first value does not equal said second value; and making an automated payment if said first value equals said second value" (independent claims 1, 8, 14).

The claimed invention provides a method for verifying a value of goods on a supplier invoice. First, the method compiles daily input of supplier invoice data into a weekly statistical sample of supplier invoices. The sampling size equals exactly a total number of all supplier invoices compiled. A first value (import declaration value) and a second value (payment invoice value) of imported goods are inputted. If the first value does not equal the second value, then a user is alerted; if the first value equals the second value, then an automated payment is made.

On pages 6 and 7 of the Examiner’s Answer, the Examiner argues that Walker discloses declarations (para. 0087) and payment invoices (para. 0050). However, Walker fails to disclose comparing the value claimed on an import declaration with the value claimed on a payment invoice, wherein a user is alerted if the values are not equal, and wherein an automated payment is made if they are equal. The Examiner argues that such features are disclosed in paragraphs 0087-0088, 0097, and 0101 of Walker (Examiner’s Answer, p. 7, para. 1). Appellants respectfully disagree and submit that nothing within Walker, including the portions cited by the Examiner’s Answer, compares the value claimed on an import declaration with the value claimed on a payment invoice.

Thus, none of the compliance regulations discussed in Walker relate to whether the value claimed on an import declaration matches the value claimed on a payment invoice. Instead, Walker merely discloses reviewing compliance for “labeling/packaging, product certifications, pre-shipment inspections, origin certifications, import licenses/quotas, hazmat labeling/packaging, declarations, export licensing/restrictions, and country/region/international standards” (Walker, para. 0087). Walker also discloses “additional compliance activities, such as product marking or additional declarations or certifications, facilitates allocating the responsibilities for each activity to either the buyer or seller, and captures and itemized any additional costs associated with each compliance activity” (Walker, para. 0088).

In regards to the other portions of Walker cited in the Examiner’s Answer, paragraph 0097 of Walker describes a process wherein buyer and sellers enter information regarding a transaction, including service costs, into a cost allocation interface. However, Walker does not compare this information with the value claimed on an import declaration. Instead, Walker merely discloses checking that all information has been received and issuing notifications and alerts until such information is complete (Walker, para. 0097). Further, paragraph 0101 of Walker describes displaying an invoice to both the buyer and the seller, wherein the invoice is utilized to perform multiple tasks. Nevertheless, nothing within Walker discloses comparing the invoice with a declaration.

The Examiner argues that verifying a value of goods on a supplier invoice through sampling and comparing the values on an import declaration and on a payment invoice are admittedly performed by the United States Customs Service (Examiner’s

Answer, p. 5, para. 2 – p. 6, para. 1 (citing p. 2 of Appellants’ disclosure)). Nevertheless, Appellants submit that the United States Customs Service does not alert a user if the values are not equal and make an automated payment if the values are equal (independent claims 1, 8, 14). Moreover, as discussed more fully above, Walker does not compare the value claimed on an import declaration with the value claimed on a payment invoice. As such, Walker cannot alert a user if the values are not equal and make an automated payment if the values are equal.

Therefore, it is Appellants’ position that the prior art of record fails to disclose the claimed features wherein “said inputting of said first value comprising inputting a value claimed on an import declaration … said inputting of said second value comprising inputting a value claimed on a payment invoice … alerting a user if said first value does not equal said second value; and making an automated payment if said first value equals said second value” (independent claims 1, 8, and 14).

In addition, Appellants traverse the rejections because the prior art of record fails to teach or suggest the claimed features of “compiling a daily input of supplier invoice data into a weekly statistical sample of supplier invoices in a data processing system … wherein said sampling size equals exactly a total number of all supplier invoices compiled in said data processing system” as defined in independent claims 1, 8, and 14.

The Examiner expressly admits that “Walker does not disclose where daily data is compiled into a weekly statistical sample” (Examiner’s Answer, p. 4, para. 3). However, the Examiner argues that whether data is gathered hourly or daily or any unit of time, and whether reports are developed hourly or daily or weekly or by any other unit of time is part of the discretion of the individual performing the statistical analysis (Examiner’s Answer, p. 7, para. 2 – p. 8, para. 1).

Appellants submit that Walker teaches away from the Official Notice. Specifically, Walker teaches that a commercial transaction requires an “Extended Time of Process”, wherein “[w]eeks--even months--may pass with seemingly little being accomplished” (Walker, para. 0021). Therefore, Appellants submit that Walker teaches away from compiling a daily input of supplier invoice data into a weekly statistical sample of supplier invoices. In other words, because Walker teaches that a commercial

transaction can take months to process, it would not be obvious to compile supplier invoice data on a daily basis.

As discussed in paragraph 0021 of Walker (titled "Extended Time of Process"), international trade transactions are generally not "immediate" transactions. The process usually takes longer than domestic equivalents, requiring more management control, more professional intermediary service providers, and more "process knowledge" regarding timing and the responsibilities of each party. Weeks--even months--may pass with seemingly little being accomplished, yielding to a period of a few days with many deadlines and key dates. As further discussed in paragraph 0023 of Walker, an international trade transaction is a set of multiple tasks, or events, requiring in-depth process and country-specific regulatory knowledge and adequate resources to manage the process, carried out over an extended period of time.

Accordingly, Appellants submit that contrary to the position taken in the Examiner's Answer, it would not have been obvious to compile supplier invoice data on a daily basis and to generate a sample of the supplier invoices on a weekly basis. Instead, Walker teaches that a commercial transaction can take months to process. Therefore, it is Appellants' position that the prior art of record fails to teach or suggest the claimed features of "compiling a daily input of supplier invoice data into a weekly statistical sample of supplier invoices in a data processing system ... wherein said sampling size equals exactly a total number of all supplier invoices compiled in said data processing system" as defined in independent claims 1, 8, and 14.

In view of the foregoing, all the rejections should be removed and the application should be passed to issuance. Please charge any deficiencies and credit any overpayments to Attorney's Deposit Account Number 50-0510.

Respectfully submitted,

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